

Hallmark Channel 6 Year Anniversary Highlights

Hallmark Channel celebrates its 6th year as a leader in cable television:

- With a +120% increase in Prime Time rating and a +250% increase in Total Day rating since launching, Hallmark Channel now ranks #7 in Prime Time and #8 in Total Day
- Since launching, Hallmark Channel has the largest increase in homes and key demographic viewers (P25-54 & W25-54) in both Prime Time and Total Day
- Since launching, Hallmark Channel has added more than 50 million new subscriber homes (+156%), the 2nd largest subscriber increase of any cable network
- In 2007, Hallmark Channel ranks #1 in original premiere movie hours, producing nearly 1/3 of movie hours on ad-supported cable
- In 2q07, Hallmark Channel ranked #1 for Households, W25-54 and A25-54 in Prime Time Length of Tune
- For all 3 months of 2q07, Hallmark Channel ranked #1 for Households Audience Retention



Hallmark Channel Is One Of The Fastest Growing Cable Network For Distribution Since Launching

- Since launching (Aug'01 to Aug'07), Hallmark Channel has added more than 50 million new subscriber homes (+156%), the 2nd largest subscriber increase of any cable network in that time frame

Rank	Cable Net	Aug-01	Aug-07	Aug'01-Aug'07 % Change	Aug'01-Aug'07 Sub +/- (000s)
1	SOAPNET	13,412	64,474	381%	51,062
2	HALL	32,562	83,208	156%	50,646
3	NAT GEO*	19,836	64,893	227%	45,057
4	TOONDSNY	24,622	64,065	160%	39,443
5	LMN	17,473	56,277	222%	38,804
6	MTV2	31,938	68,924	116%	36,986
7	CMT	49,339	86,028	74%	36,689
8	ESPNews	23,814	59,920	152%	36,106
9	FUSE/MUCH*	18,311	54,069	195%	35,758
10	GOLF	40,248	75,095	87%	34,847



Source: Nielsen People Meter Sample, Top 10 of 78 Cable Networks

* NAT GEO and FUSE not measured until Jan'02

Hallmark Channel Climbs To Rank Among The Top 10

With a +120% increase in Prime Time rating and a +250% increase in Total Day rating since launching, Hallmark Channel now ranks #7 in Prime Time and #8 in Total Day.

Prime Time HH Rating

M-Su 8-11p			Jul'07		
Rank	Net	Aug'01 HH Rtg	Rank	Net	HH Rtg
1	LIF	2.2	1	TNT	2.0
2	TBS	1.8	1	USA	2.0
2	TOON	1.8	3	NICK*	1.7
2	USA	1.8	4	LIF	1.3
5	NICK	1.7	5	TBSC	1.2
6	TNT	1.5	5	FOXNC	1.2
7	AEN	1.3	7	HALL	1.1
8	DISC	1.2	7	TOON*	1.1
8	ESPN	1.2	7	COURT	1.1
10	HIST	1.0	7	AMC	1.0
10	TNN	1.0	11	DISC	1.0
12	AMC	0.9	11	AEN	1.0
12	SCIFI	0.9	11	FX	1.0
12	TLC	0.9	11	NAN*	1.0
15	CMDY	0.8	11	HGTV	1.0
15	MTV	0.8	11	SPIKE	1.0
17	CNN	0.7	11	FAM	1.0
17	COURT	0.7	11	ESPN	0.9
17	ESPN2	0.7	19	HIST	0.9
17	FAM	0.7	19	SCIFI	0.9
29	HALL	0.5			

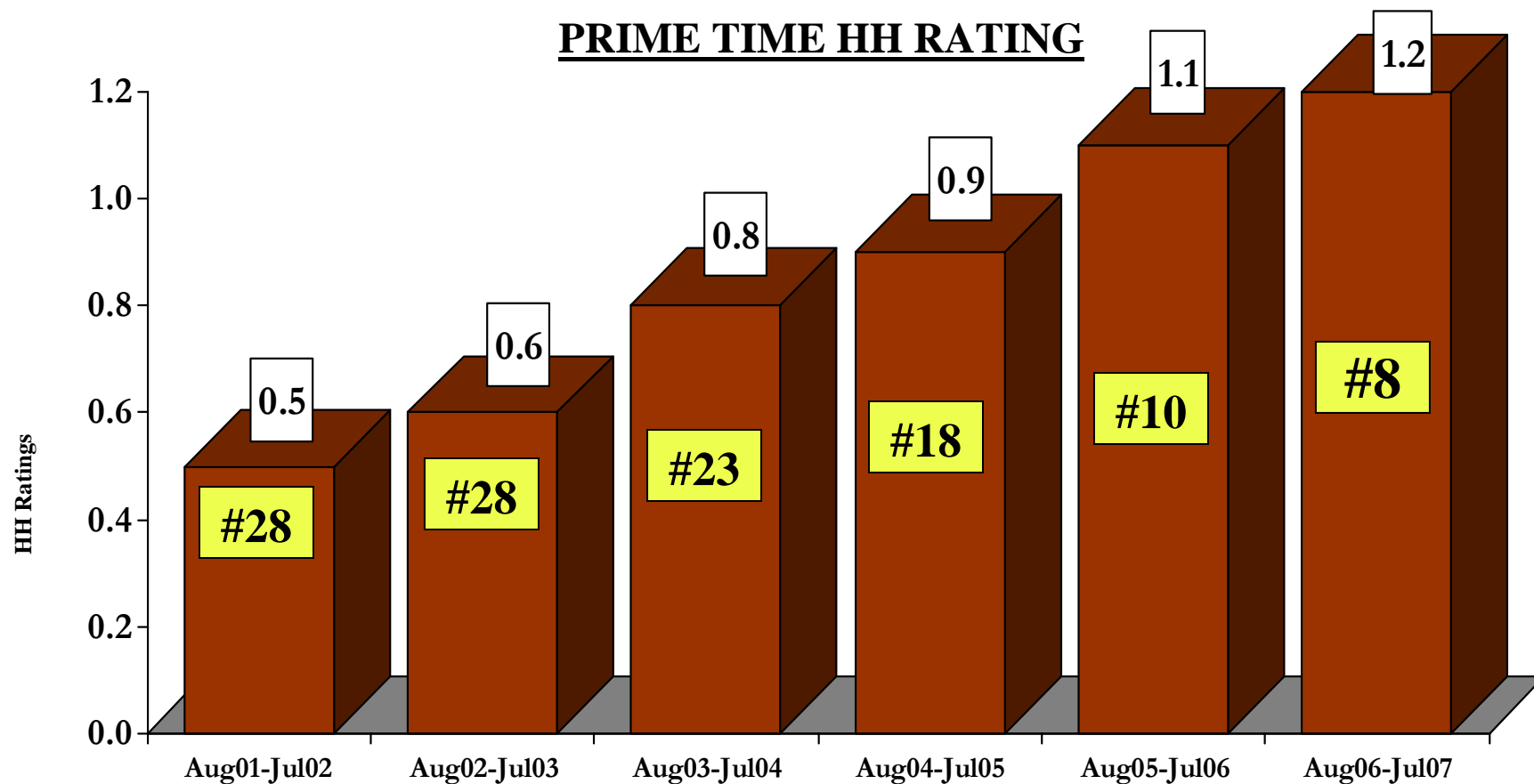
Total Day HH Rating

Total Day			Jul'07		
Rank	Net	Aug'01 HH Rtg	Rank	Net	HH Rtg
1	NICK	1.5	1	NICK	1.8
2	LIF	1.3	2	NAN*	1.2
3	TOON	1.2	3	TNT	1.1
4	TBS	1.0	3	ADSM*	1.1
5	AEN	0.8	3	TOON	1.1
5	TNT	0.8	6	USA	1.0
5	USA	0.8	7	LIF	0.8
8	DISC	0.6	8	HALL	0.7
8	ESPN	0.6	8	FOXNC	0.7
8	MTV	0.6	8	TBSC	0.7
11	AMC	0.5	8	DISC	0.7
11	FX	0.5	8	AEN	0.6
11	HIST	0.5	13	MTV	0.6
11	LMN	0.5	13	COURT	0.6
11	TLC	0.5	13	HIST	0.6
16	BET	0.4	13	SPIKE	0.6
16	CMDY	0.4	13	FX	0.6
16	CNN	0.4	13	HGTV	0.6
16	FAM	0.4	13	FAM	0.5
16	FOXNC	0.4	13	AMC	0.5
37	HALL	0.2			



Source: Nielsen Galaxy, 8/1/2001-7/29/2007 Coverage Area Ratings (top 20 measured ad-supported cable networks).

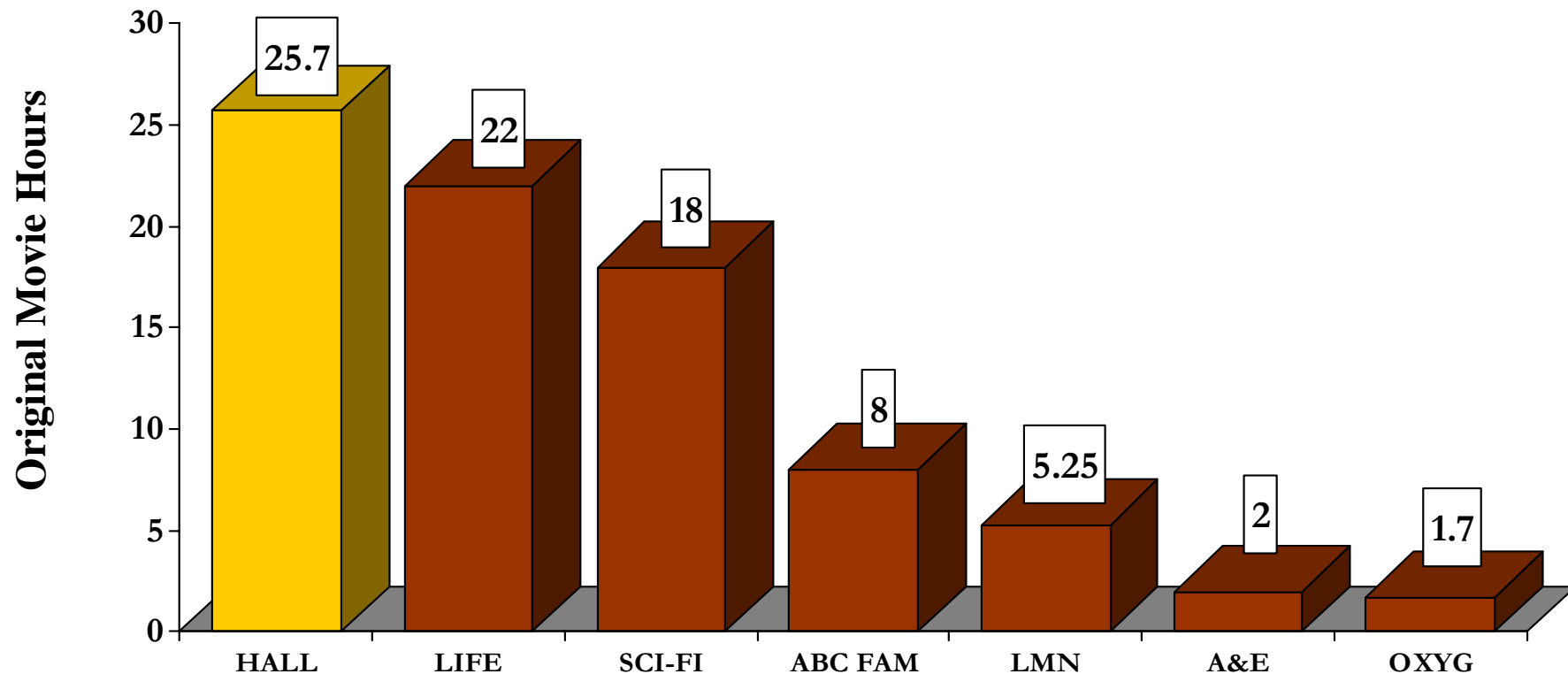
Hallmark Channel Shows Solid Year-To-Year Growth In Prime Time Rating & Rank



Source: Nielsen Media Research (Hallmark Anniversary Dates: Aug'01-Jul'07); Prime Time (M-Su 8-11p) HH Coverage Rating; Ranked among all ad-supported cable networks



Hallmark Channel Ranks #1 In Ad-supported Cable Network Original Premiere Movie Hours



Source: Nielsen 1q07-2q07 Original Movies and Mini-Series premieres

Hallmark Channel Ranks #1 In Prime Time Household Audience Retention

Percent of Audience Retained During Commercial Minutes

Apr'07

<u>Rank</u>	<u>Network</u>	<u>% Retention</u>
1	HALL	95.9
2	SOAPNET	95.6
3	LMN	94.9
4	GAC	94.9
5	NICKELODEON	94.9
6	DISC SCI	94.9
7	NICKTOONS	94.7
8	CARTOON	94.7
9	TOON DISNEY	94.4
10	COURT TV	94.4
11	HGTV	94.1
12	NICK-AT-NITE	94.1
13	DISC TIMES	94.1
14	GSN	93.8
15	TWC	93.6

May'07

<u>Rank</u>	<u>Network</u>	<u>% Retention</u>
1	HALL	96.1
2	SOAPNET	96.0
3	DISC TIMES	96.0
4	GAC	95.9
5	TOON DISNEY	95.6
6	NICKELODEON	95.5
7	TV LAND	95.4
8	NICK-AT-NITE	95.2
9	LMN	95.2
10	NICKTOONS	95.1
11	CARTOON	95.0
12	TV ONE	94.7
13	USA	94.6
14	GSN	94.4
15	HGTV	94.3

Jun'07

<u>Rank</u>	<u>Network</u>	<u>% Retention</u>
1	HALL	97.3
2	LMN	96.8
3	SOAPNET	96.7
4	TOON DISNEY	95.9
5	GAC	95.7
6	NICKTOONS	95.7
7	NOGGIN/THE N	95.7
8	TV LAND	95.6
9	CARTOON	95.3
10	TV ONE	95.2
11	NICKELODEON	95.0
12	BIOGRAPHY	94.8
13	NICK-AT-NITE	94.7
14	LIFETIME	94.4
15	COURT TV	94.4



Source: Nielsen NPower Rating Analysis Report (4/2-7/1/07);
Top 15 Cable Networks listed, M-Su 8-11p, Live weighted NCCM Index

Hallmark Channel Ranks #1 In Prime Time For Length Of Tune

2nd Qtr 2007 – Average Minutes

HHs

<u>RANK</u>	<u>NET</u>	<u>AVG PRIME LOT</u>
1	HALL	26.1
2	USA	21.8
3	LMN	21.3
4	LIF	20.6
5	TOON	20.4
6	SOAP	19.4
7	SCIFI	19.1
8	NKT	18.9
9	NICK	18.6
10	TV1	18.3
11	COURT	18.0
12	TVL	17.7
13	TNT	16.8
14	AEN	16.7
15	DTMS	16.5

W25-54

<u>RANK</u>	<u>NET</u>	<u>AVG PRIME LOT</u>
1	HALL	25.7
2	USA	23.5
3	LMN	23.5
4	COURT	22.2
5	SCIFI	22.2
6	LIF	21.9
7	SOAP	20.6
8	TV1	19.6
9	TVL	18.7
10	TNT	18.3
11	DTMS	18.2
12	BET	18.1
13	AEN	17.9
14	TBSC	17.4
15	TOON	17.4

A25-54

<u>RANK</u>	<u>NET</u>	<u>AVG PRIME LOT</u>
1	HALL	22.3
2	LMN	21.7
3	USA	20.6
4	SCIFI	20.3
5	LIF	19.7
6	SOAP	19.0
7	TV1	17.8
8	COURT	17.8
9	TOON	16.6
10	DTMS	16.4
11	NICK	16.1
12	TVL	16.1
13	NKT	16.0
14	BET	15.8
15	TNT	15.8



Source: Nielsen NPower Length of Tune Report (4/2-7/1/07);
Top 15 Cable Networks listed, M-Su 8-11p

A Leader In Offering A High-Quality, Family-Friendly Viewing Experience

Hallmark Channel ranks #1 among general entertainment networks.

	Total	Age 25-54	Men 25-54	Women 25-54
<i>Base: Total Respondents</i>	1000	580	296	284
	%	%	%	%
Hallmark Channel	74	70	71	69
TV Land	65	64	72	56
ABC Family	64	68	71	66
American Movie Classics (AMC)	57	59	60	57
Turner Classic Movies	49	51	53	49
Lifetime	40	36	35	37
A&E	39	38	40	35
Country Music Television (CMT)	38	36	45	26
TBS	36	34	32	36

- Hallmark Channel (74%) even beats Disney Channel (71%), which is not ad-supported.



Source: Yankelovich Viewing Habits Study, January 2007.
Ranking all major general entertainment cable networks.

Hallmark Channel Ranks in the Top 3 Among Ad-Supported Entertainment Cable Networks

- **1st** in percent who very much describe the network as **"Valuable"**
 - 39% - higher than COURT, A&E, LIF, Nick/Nick@Nite, TNT, USA, TBS
- **1st** in percent who very much describe the network as **"High Quality"**
 - 55% - higher than A&E, ABC Family, CMT, AMC, LIF, TNT, USA, TBS
- **2nd** in percent who very much describe the network as **"One of my Favorites"**
 - 40% - higher than SOAP, LIF, USA, COURT, A&E, TNT, FX, TBS
- **2nd** in percent who very much describe the network as **"Distinctive"**
 - 48% - higher than A&E, CMDY, COURT, LIF, Nick/Nick@Nite, USA, TNT, TBS
- **2nd** in percent who say **"more inclined to pay attention to commercials on this network"**
 - 16% - higher than MTV, LIF, WE, Nick/Nick@Nite, CMDY, TNT, USA, TBS
- **3rd** in percent who very much describe the network as **"Family Oriented"**
 - 63% - higher than TVLand, GSN, LIF, TOON/ADSM, A&E, USA, TBS, TNT
- **3rd** in percent who very much describe the network as **"a channel they'd like to see in HDTV"**
 - 34% - higher than CMT, SOAP, TNT, A&E, FX, LIF, MTV, USA, AMC, TBS

Source: 2007 Beta Brand Identity Study, an online survey conducted in *January 2007* among a national sample of 4,090 cable subscribers. The rankings reflect 29 ad-supported general entertainment networks with over 55 million total subscribers (excludes news, sports, kids, and informational/documentary).



THE HALLMARK CHANNEL

**DISCRIMINATORY PRICING OF
INDEPENDENT PROGRAMMING SERVICES¹**

Channel	Affiliation	2006 Average License Fee (Kagan)	Prime Time HH Rating	Total Day HH Rating
TNT	Time Warner	0.89	1.8	1.1
CNN	Time Warner	0.44	0.7	0.5
TBS	Time Warner	0.43	1.3	0.8
Golf Channel	Comcast	0.23	0.2	0.1
E!	Comcast	0.20	0.4	0.3
Cartoon Network	Time Warner	0.15	1.2	1.0
style.	Comcast	0.12	0.2	0.1
Court TV	Time Warner (JV)	0.08	1.0	0.8
G4 videogame tv	Comcast	0.06	0.2	0.1
Hallmark Channel	<i>Independent</i>	0.03	1.1	0.8

¹ Source: Nielsen Galaxy, April 1, 2007.

Top Ten Record Breaking 3rd 07 and Now in Nearly 85 Million Homes

- **TOP TEN IN PRIME TIME AND TOTAL DAY - #8 in Prime time** (1.1 tied with TOON, HGTV and COURT) **and #10 in Total Day** (.7 tied with TBS).
- 3rd Qtr'07 is Hallmark Channel's **Highest Quarter Ever Among Total Day Household Delivery!**
- Hallmark Channel ratings consistency rank it among the top ten ad supported cable networks in Prime Time every month in 3rd Quarter 07.
 - **September 07 - #8 in Prime Time** (1.1 tied with HGTV and TOON)
 - **August 07 - #7 in Prime Time** (1.2 tied with TOON and FOXNC)
 - **July 07 - #7 in Prime Time** (1.1 tied with Court and TOON)
- Hallmark Channel also ranks **#9 among women 25-54** rating in total day - its **highest 3rd Quarter delivery ever.**
- Hallmark Channel continues to be **one of the leaders in the production of original movie hours, producing more than ¼ of all original movie hours on ad sup cable.**

Record Breaking September 2007

- Hallmark Channel's **Highest September ever in Prime Time and Total Day** household delivery!
- Hallmark Channel ranked **#8 in Prime Time** for September 07 in household rating (1.1 tied with HGTV and TOON) among the 69 ad supported cable networks.
- Hallmark Channel ranked **#9 in Total Day** for September 07 in household rating (.7 tied with TBS and FOXNC) among the 69 ad supported cable networks.
- Hallmark Channel also ranks **#10 among women 25-54** rating in total day - *its highest September delivery ever!*
- In Prime Time, Hallmark Channel's **16th straight month among the top ten cable networks.**
- **Hallmark Channel is now in nearly 85 million homes (Oct. 07) adding virtually 9.5 million new homes year-to-date.**



FOR IMMEDIATE RELEASE

October 2, 2007

**HALLMARK CHANNEL RANKS IN PRIME TIME AND TOTAL DAY TOP 10 FOR
THE WEEK, MONTH AND THIRD QUARTER 2007**

Network Experiences Highest-Ever Quarter

Hallmark Channel continues its strong ratings performance with a rare "hat trick" as the nation's leading family-friendly network closed the week of September 24-30, the month of September and third quarter '07 in the top 10 for Prime Time and Total Day household ratings. Third quarter was also the network's highest-rated quarter ever, among Total Day HH delivery.

For the week ending September 30, Hallmark Channel ranked #9 in Prime Time (0.9) and #10 in Total Day (0.7) HH ratings, among all ad-supported cable networks.

For the month of September, Hallmark Channel ranked #8 in Prime Time (1.1) and #9 in Total Day (0.7) HH ratings, among all ad-supported cable networks. The channel also ranked #8 in P2+ Prime Time rating (0.5).

Hallmark Channel continued its ratings momentum established in the first and second quarters where it was the #8 and #11 highest-rated network in Prime Time by scoring its highest-ever quarter in third quarter '07, landing it at #8 in Prime Time (1.1) and #10 in Total Day (0.7) HH ratings, among all ad-supported cable networks. The channel also ranked #6 in Prime Time P2+ rating and #10 in Total Day P2+ rating.

Once again, Hallmark Channel's unprecedented success is attributed to the popularity of its roster of high quality family-friendly original movies. In the third quarter, the network premiered "Avenging Angel" (7/7/07, 2.6 HH rtg), "Claire" (8/11/07, 2.1 HH rtg) and "Murder 101: If Wishes Were Horses" (8/18/07, 1.7 HH rtg).

Source: Nielsen Media Research, 1/1-4/1/07, 4/2-7/1/07, 7/2-9/30/07

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